

(a) You initiated an action which, when completed, will eliminate flaring and venting; or

(b) You submit to the Regional Supervisor an evaluation supported by engineering, geologic, and economic data indicating that the oil and gas produced from the well(s) will not economically support the facilities necessary to sell the gas or to use the gas on or for the benefit of the lease.

§ 250.1162 When may I burn produced liquid hydrocarbons?

(a) You must request and receive approval from the Regional Supervisor to burn any produced liquid hydrocarbons. The Regional Supervisor may allow you to burn liquid hydrocarbons if you demonstrate that transporting them to market or re-injecting them is not technically feasible or poses a significant risk of harm to offshore personnel or the environment.

(b) If you burn liquid hydrocarbons without the required approval, or if the Regional Supervisor determines that you were negligent or could have avoided burning liquid hydrocarbons, the hydrocarbons will be considered avoidably lost or wasted. You must pay royalties on the loss or waste, according to part 202 of this title. You must value any liquid hydrocarbons avoidably lost or wasted under the provisions of part 206 of this title.

§ 250.1163 How must I measure gas flaring or venting volumes and liquid hydrocarbon burning volumes, and what records must I maintain?

(a) If your facility processes more than an average of 2,000 bopd during May 2010, you must install flare/vent meters within 180 days after May 2010. If your facility processes more than an average of 2,000 bopd during a calendar month after May 2010, you must install flare/vent meters within 120 days after the end of the month in which the average amount of oil processed exceeds 2,000 bopd.

(1) You must notify the Regional Supervisor when your facility begins to process more than an average of 2,000 bopd in a calendar month;

(2) The flare/vent meters must measure all flared and vented gas within 5 percent accuracy;

(3) You must calibrate the meters regularly, in accordance with the manufacturer's recommendation, or at least once every year, whichever is shorter; and

(4) You must use and maintain the flare/vent meters for the life of the facility.

(b) You must report all hydrocarbons produced from a well completion, including all gas flared, gas vented, and liquid hydrocarbons burned, to Minerals Revenue Management on Form MMS-4054 (Oil and Gas Operations Report), in accordance with § 210.102 of this title.

(1) You must report the amount of gas flared and the amount of gas vented separately.

(2) You may classify and report gas used to operate equipment on the lease, such as gas used to power engines, instrument gas, and gas used to maintain pilot lights, as lease use gas.

(3) If flare/vent meters are required at one or more of your facilities, you must report the amount of gas flared and vented at each of those facilities separately from those facilities that do not require meters and separately from other facilities with meters.

(4) If flare/vent meters are not required at your facility:

(i) You may report the gas flared and vented on a lease or unit basis. Gas flared and vented from multiple facilities on a single lease or unit may be reported together.

(ii) If you choose to install meters, you may report the gas volume flared and vented according to the method specified in paragraph (b)(3) of this section.

(c) You must prepare and maintain records detailing gas flaring, gas venting, and liquid hydrocarbon burning for each facility for 6 years.

(1) You must maintain these records on the facility for at least the first 2 years and have them available for inspection by MMS representatives.

(2) After 2 years, you must maintain the records, allow MMS representatives to inspect the records upon request and provide copies to the Regional Supervisor upon request, but are not required to keep them on the facility.

(3) The records must include, at a minimum:

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(i) Daily volumes of gas flared, gas vented, and liquid hydrocarbons burned;

(ii) Number of hours of gas flaring, gas venting, and liquid hydrocarbon burning, on a daily and monthly cumulative basis;

(iii) A list of the wells contributing to gas flaring, gas venting, and liquid hydrocarbon burning, along with gas-oil ratio data;

(iv) Reasons for gas flaring, gas venting, and liquid hydrocarbon burning; and

(v) Documentation of all required approvals.

(d) If your facility is required to have flare/vent meters:

(1) You must maintain the meter recordings for 6 years.

(i) You must keep these recordings on the facility for 2 years and have them available for inspection by MMS representatives.

(ii) After 2 years, you must maintain the recordings, allow MMS representatives to inspect the recordings upon request and provide copies to the Regional Supervisor upon request, but are not required to keep them on the facility.

(iii) These recordings must include the begin times, end times, and volumes for all flaring and venting incidents.

(2) You must maintain flare/vent meter calibration and maintenance records on the facility for 2 years.

(e) If your flaring or venting of gas, or burning of liquid hydrocarbons, required written or oral approval, you must submit documentation to the Regional Supervisor summarizing the location, dates, number of hours, and volumes of gas flared, gas vented, and liquid hydrocarbons burned under the approval.

§ 250.1164 What are the requirements for flaring or venting gas containing H₂S?

(a) You may not vent gas containing H₂S, except for minor releases during maintenance and repair activities that do not result in a 15-minute time-weighted average atmosphere concentration of H₂S of 20 ppm or higher anywhere on the platform.

(b) You may flare gas containing H₂S only if you meet the requirements of §§ 250.1160, 250.1161, 250.1163, and the following additional requirements:

(1) For safety or air pollution prevention purposes, the Regional Supervisor may further restrict the flaring of gas containing H₂S. The Regional Supervisor will use information provided in the lessee's H₂S Contingency Plan (§ 250.490(f)), Exploration Plan, DPP, DOCD, and associated documents to determine the need for restrictions; and

(2) If the Regional Supervisor determines that flaring at a facility or group of facilities may significantly affect the air quality of an onshore area, the Regional Supervisor may require you to conduct an air quality modeling analysis, under § 250.303, to determine the potential effect of facility emissions. The Regional Supervisor may require monitoring and reporting, or may restrict or prohibit flaring, under §§ 250.303 and 250.304.

(c) The Regional Supervisor may require you to submit monthly reports of flared and vented gas containing H₂S. Each report must contain, on a daily basis:

(1) The volume and duration of each flaring and venting occurrence;

(2) H₂S concentration in the flared or vented gas; and

(3) The calculated amount of SO₂ emitted.

OTHER REQUIREMENTS

§ 250.1165 What must I do for enhanced recovery operations?

(a) You must promptly initiate enhanced oil and gas recovery operations for all reservoirs where these operations would result in an increase in ultimate recovery of oil or gas under sound engineering and economic principles.

(b) Before initiating enhanced recovery operations, you must submit a proposed plan to the Regional Supervisor and receive approval for pressure maintenance, secondary or tertiary recovery, cycling, and similar recovery operations intended to increase the ultimate recovery of oil and gas from a reservoir. The proposed plan must include, for each project reservoir, a geologic and engineering overview, Form